



February 2nd, 2023

Chair Leo Delperdang
House Committee on Energy, Utilities and Telecommunications
Kansas House of Representatives
300 SW 10th St.
Topeka, KS 66612

Re: HB 2227 – Third-Party Power Purchase Agreement and
HB 2228 – Net Metering

Chair Delperdang and Members of the Committee,

I am writing you today in support of two bills that are before you for your consideration, HB 2227 and HB 2228. As a design and construction company with four offices in Kansas, Hutton has seen a growing number of clients looking for options for serving their energy needs. From nonprofits, to K-12 and higher education, industrial and manufacturing – many businesses and organizations are looking for ways to gain certainty and feel empowered with choices. It was due to this growing demand that Hutton developed an energy services division specifically focused on supporting commercial and industrial clients.

HB 2227 allowing third-party power purchase agreements (PPAs) would be a great step in providing business owners with choices. As one of only seven states that doesn't allow PPAs, Kansas is creating disproportionate impact on nonprofits. We have met with multiple school districts and churches that would like to install solar as a way to make energy more cost effective and predictable. However, are not eligible for the federal tax incentives and do not have the capital to make the upfront investment. While not allowing PPAs as an option is a hinderance for these organizations, it is also preventing our company from helping organizations that need it the most. By passing HB 2227, I believe we are providing schools, churches, military installations and nonprofit organizations the freedom to choose whether/how to best impact a large line item within their operating budgets. A vote against this bill would continue to limit choices for these organizations that could make a tremendous positive financial impact.

In HB 2228, by supporting an increase in the cap of net metering to regulated utilities and providing uniformity amongst the other utility providers, you will take another important step toward eliminating uncertainty and providing clarity to business owners and organizational leaders looking to make an investment in solar. Throughout the state of Kansas, there is a huge disparity of net metering size limitations, as well as whether or not it is allowed. To make matters worse, we have seen business owners make an investment in solar only to find out later that net metering will no longer be allowed. For business owners and organizations in some areas of the state, net metering isn't even an option, which can be a key roadblock for the financial feasibility of the investment. Many of these business owners are in areas of the state with the highest electrical rates and are the ones who could benefit the most from this bill. By passing HB 2228 you will empower all Kansas constituents with choices around net metering and provide them with certainty that their solar investment today will remain a great investment in the future.

Thank you for your consideration of these bills. In a state that values free market, and limited government imposed restrictions, I hope that you will vote yes for HB 2227 and HB 2228.

Respectfully,

Jeff Hohnbaum
Hutton Energy Services

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